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 Unsecured Creditors of Wellman, Inc., *et al.*

**UNITED STATES BANKRUPTCY COURT
 SOUTHERN DISTRICT OF NEW YORK**

)	
In re)	Chapter 11
)	
WELLMAN, INC., <i>et al.</i> , ¹)	Case No. 08-10595 (SMB)
)	Jointly Administered
Debtors.)	
)	

**APPELLANT’S DESIGNATION OF
 RECORD AND STATEMENT OF ISSUES ON APPEAL**

Pursuant to Rule 8006 of the Federal Rules of Bankruptcy Procedure, the Official Committee of Unsecured Creditors of Wellman, Inc., *et al.* (the “Committee”), appellant, by and through its undersigned counsel, hereby designates the following items to be included in the record on appeal from the Final Order Under 11 U.S.C. §§ 105, 361, 362, 363(c), 364(c)(1), 364(c)(2), 364(c)(3), 364(d)(1) and 364(e) and Fed. R. Bankr. P. 2002, 4001 and 9014 (i) Authorizing Debtors to Obtain Post-Petition Financing, (ii) Authorizing Debtors to Use Cash Collateral and (iii) Granting Adequate Protection to Prepetition Secured Parties (Dkt. # 181) (the “Final DIP Order”) of the Honorable Stuart M. Bernstein, United States Bankruptcy Judge, entered on April 7, 2008, approving the Debtors’ Motion for Entry of Interim and Final Orders

¹ The debtors in these cases include: Wellman, Inc.; Wellman Fibres Ltd.; MRF, Inc.; Prince, Inc.; Warehouse Associates Inc.; Carpet Recycling of Georgia Inc.; Wellman of Mississippi, Inc.; Fiber Industries, Inc.; ALG, Inc.; Josdav, Inc.; PTA Resources LLC; and MED Resins, Inc. (each individually, a “Debtor” and collectively, the “Debtors”).

- (a) Authorizing Debtors to Obtain Postpetition Secured Financing and Utilize Cash Collateral;
- (b) Granting Adequate Protection to Prepetition Secured Lenders; and (c) Scheduling Final Hearing (Dkt. # 10):

CONTENT OF RECORD ON APPEAL

1. Transcript of Hearing held April 7, 2008 (attached as Exhibit A);
2. Transcript of Hearing held April 1, 2008 (attached as Exhibit B);
3. Notice of Appeal (Dkt. # 201);
4. Final Order Under 11 U.S.C. §§ 105, 361, 362, 363(c), 364(c)(1), 364(c)(2), 364(c)(3), 364(d)(1) and 364(e) and Fed. R. Bankr. P. 2002, 4001 and 9014 (i) Authorizing Debtors to Obtain Post-Petition Financing, (ii) Authorizing Debtors to Use Cash Collateral and (iii) Granting Adequate Protection to Prepetition Secured Parties (Dkt. # 181);
5. Response of the Informal Second Lien Lender Group to the Objection of the Official Committee of Unsecured Creditors to Debtors' Motion for Entry of Interim and Final Orders (A) Authorizing Debtors to Obtain Postpetition Secured Financing and Utilize Cash Collateral; (B) Granting Adequate Protection to Prepetition Secured Lenders; and (C) Scheduling Final Hearing (Dkt. # 153);
6. Response of Deutsche Bank Trust Company Americas to Objection of the Official Committee of Unsecured Creditors to Debtors' Motion for Entry of Interim and Final Orders (A) Authorizing Debtors to Obtain Postpetition Secured Financing and Utilize Cash Collateral; (B) Granting Adequate Protection to Prepetition Secured Lenders; and (C) Scheduling Final Hearing (Dkt. # 150);
7. Debtors' Response to the Objection of the Official Committee of Unsecured Creditors to Debtors' Motion for Entry of Interim and Final Orders (A) Authorizing Debtors to Obtain Postpetition Secured Financing and Utilize Cash Collateral; (B) Granting Adequate Protection to Prepetition Secured Lenders; and (C) Scheduling Final Hearing (Dkt. # 149);
8. Reservation of Rights of the Bank of New York with Respect to the Proposed Final DIP Order (Dkt. # 141);
9. Objection of the Official Committee of Unsecured Creditors to Debtors' Motion for Entry of Interim and Final Orders (a) Authorizing Debtors to Obtain Postpetition Secured Financing and Utilize Cash Collateral; (b) Granting Adequate Protection to Prepetition Secured Lenders; and (c) Scheduling Final Hearing (Dkt. # 136);
10. Transcript of Hearing held on February 25, 2008 (Dkt. # 112);

11. Interim Order Under 11 U.S.C. §§ 105, 361, 362, 363(c), 364(c)(1), 364(c)(2), 364(c)(3), 364(d)(1) and 364(e) and Fed. R. Bankr. P. 2002, 4001 and 9014 (i) Authorizing Debtors to Obtain Post-Petition Financing, (ii) Authorizing Debtors to Use Cash Collateral, (iii) Granting Adequate Protection to Prepetition Secured Parties and (iv) Scheduling a Final Hearing Pursuant to Bankruptcy Rules 4001(b) and (c) (Dkt. # 60);
12. Affidavit of Thomas M. Duff, Chief Executive Officer and Chairman of the Board of Directors of Wellman, Inc., in Support of First Day Pleadings (Dkt. # 13); and
13. Debtors' Motion for Entry of Interim and Final Orders (a) Authorizing Debtors to Obtain Postpetition Secured Financing and Utilize Cash Collateral; (b) Granting Adequate Protection to Prepetition Secured Lenders; and (c) Scheduling Final Hearing (Dkt. # 10).

STATEMENT OF ISSUES PRESENTED ON APPEAL

1. Whether the Bankruptcy Court erred in the Final DIP Order by granting adequate protection under sections 361, 362, 363, and 364 of the Bankruptcy Code to the lenders under that certain First Lien Senior Credit Agreement, dated as of February 10, 2004, and that certain Second Lien Senior Credit Agreement, dated as of February 10, 2004.

Dated: New York, New York
April 23, 2008

ROPES & GRAY LLP

By: /s/ Mark R. Somerstein
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